Beverage Container Stewardship Program Regulation

Annual Report by the Director

2001 - 2002 Reporting Period

Synopsis

The Beverage Container Stewardship Regulation encompasses all containers of ready-to-drink beverages, except milk, milk substitutes, infant formula and meal replacements. The regulation requires beverage sellers to collect a deposit from the purchaser, specifies the minimum amount of the deposit, and requires sellers and/or depots to accept containers and pay a refund per container not less than the a. ·ount of the deposit collected.

Containers are managed in accordance with three stewardship plans approved under the regulation. The stewardship plans are required to show how an 85% recovery rate will be achieved within two years after the implementation date for the plan. In 2001, the overall recovery rate was unchanged from 2000, at 81%.

Program Performance

Stewardship Agencies

The three stewardship agencies established by the beverage industry to meet their responsibilities under the regulation are:

Encorp Pacific (Canada), responsible for nonalcoholic beverages, representing 55% of total containers;

Liquor Distribution Branch, responsible for wine, spirits, nonrefillable beer, cider and coolers, other than those produced by Molson and Labatt, representing 8% of total containers; and

Brewers Distributors Ltd., responsible for domestic beer in refillable glass bottles and aluminum cans, representing 37% of total containers.

Financial Information and Overall Recovery Rate

Funding for the management of containers is generated through unredeemed deposits, revenue from sales of recyclable materials, and for some containers, brand-owner fees. The following independently audited financial and recovery-rate information has been provided by the industry stewards:

105-05395/

Stewardship Agency	Reporting Period	Deposits Charged	Deposits Refunded	Units Sold	Units Recovered	Recovery Rate
Encorp Pacific (Canada	January 1, 2001 to December 31, 2001	$54,529,955	$40,360,425	848,851,252	611,792,036	72.07%
Liquor Distribution Branch	April 1, 2001 to March 31, 2002	$14,714,206	$12,562,143	131,079,151	112,353,534	85.71%
Brewers Distributors Ltd.	April 1, 2001 to March 31, 2002	$56,590,719	$52,802,276	565,907,184	528,022,764	93.31%
Overall Recovery Rate						81.00%

Container Management

Encorp Pacific (Canada)

Information on the processing of containers and the marketing of the recyclable product is contained in the 2001 Annual Report on Encorp's website.

Liquor Distribution Branch

Under an agreement with the Liquor Distribution Branch, Encorp Pacific (Canada) recycles containers in the Liquor Distribution Branch stewardship plan. Information on the processing of containers and the marketing of the recyclable product is contained in Encorp's Annual Report on its website.

Brewers Distributors Ltd.

Glass bottles are refilled on average 15 times each. Glass that is unsuitable for refilling is crushed at Pacific Metals and sent to glass-bottle manufacturers in Washington, Oregon and California for the manufacture of new containers and other materials. Approximately 335,972 pounds of refillable glass was processed for recycling, during this reporting period.

Aluminum is crushed and shipped by rail to ALCOA for recycling. Over 6,000 tonnes of aluminum is recycled annually into products such as new aluminum cans and other fabricated aluminum products.

Detailed Container and Recovery Rate Information

Container (type and size	Deposit and Refund Rate (¢)	Container Recycling Fee (¢) *	Sales (units)	Deposits Received ($)	Refunds Paid ($)	Returns (units)	Recovery Rate
Encorp Pacific (Canada)				**	**		
Aluminum cans	5	1	414,430,488	20,721,524	17,209,603	344,192,051	83.05%
Plastic up to 1L	5	1	164,671,732	8,233,587	5,331,646	106,632,915	64.75%
Drink Box up to 500ml	5	0	90,702,803	4,535,140	2,073,341	41,466,827	45.72%
Plastic over 1L	20	5	65,980,679	13,196,136	11,667,773	58,338,863	88.42%
Glass up to 1L	5	3	61,428,027	3,071,401	1,785,993	35,719,861	58.15%
Drink Box 501 ml to 1L	5	1	29,448,245	1,472,412	793,600	15,871,994	53.90%
Gable top over 1L	20	0	11,542,143	2,308,429	1,026,215	5,131,075	44.46%
Bimetal up to 1L	5	0	***	***	***	***	41.09%
Bimetal over 1L	20	2	***	***	***	***	49.17%
Gable top 501 ml to 1L	5	1	***	***	***	***	33.73%
Gable top up to 500 ml	5	0	***	***	***	***	24.84%
Glass over 1L	20	2	***	***	***	***	71.50%
Bag-in-box	20	4	***	***	***	***	55.28%
Encorp Totals			**848,851,252**	**54,529,955**	**40,360,425**	**611,792,036**	**72.07%**
* fees in effect until end of 2001and are subject to change; refer to Encorp website for current rates							
** Only the totals in these columns have been approved by independent audit							
*** according to Encorp, figures for container sales less than 10 m may provide information considered to be commercially confidential							
Liquor Distribution Branch							
Glass, wine and spirits - total			**55,704,410**	**6,675,786**	**5,717,563**	**47,517,982**	**85.30%**
≤ 1L	10		44,650,967	4,465,097	3,786,034	37,860,338	84.79%
> 1L	20		11,053,443	2,210,689	1,931,529	9,657,644	87.37%
Glass, non-refillable beer, cider, cooler - total			**66,020,961**	**6,681,642**	**5,883,466**	**58,188,813**	**88.14%**
≤ 1L	10		65,225,501	6,522,550	5,754,296	57,542,962	88.22%
> 1L	20		795,460	159,092	129,170	645,851	81.19%
Plastic - total			**7,965,970**	**1,079,217**	**844,906**	**6,049,044**	**75.94%**
≤ 1L	10		5,139,764	513,976	364,903	3,649,027	71.00%
> 1L	20		2,826,206	565,241	480,003	2,400,017	84.92%
Bag-in-box >1L	20		1,387,807	277,561	112,877	564,385	40.67%
Other * ≤ 1L	10		3	0	3,331	3,331	n/a
LDB Totals			**131,079,151**	**14,714,206**	**12,562,143**	**112,353,534**	**85.71%**
* This category should include containers that do not fit in any other category; however, as a result of difficulty in distinguishing some redeemed containers, it also includes some items included in sales in other categories							
Brewers Distributors Ltd.							
Aluminum cans	10		353,228,916	35,322,892	33,179,269	331,792,692	93.93%
Industry standard bottles	10		172,955,928	17,295,593	16,227,432	162,274,320	93.82%
Non-industry standard bottles (refillable)	10		39,722,340	3,972,234	339,575	33,955,752	85.48%
BDL Totals			**565,907,184**	**56,590,719**	**49,746,276**	**528,022,764**	**93.31%**
Beverage Program Totals			**1,545,837,587**	**125,834,880**	**102,668,844**	**1,252,168,334**	**81.00%**

The Beverage Container Management Board (BCMB)

The BCMB meets at least on a quarterly basis or more often as needed, and provides advice to the minister on the deposit-refund system in particular and beverage container program issues in general. The 10-member board comprises representatives nominated by the three industry stewards, the BC Bottle Depot Association, Union of BC Municipalities, labour unions, retail grocers, Recycling Council of BC, environmental nongovernmental organizations and the Ministry of Water, Land and Air Protection. The board is chaired by John Nixon, representing Encorp Pacific (Canada).

Further Information

Recycling Council of BC http://www.rcbc.bc.ca

Provides information to callers to its **Recycling Hotline** on a number of stewardship issues, under contract to various stewards.

Greater Vancouver: (604) 732-9253

Rest of BC: 1-800-667-4321

Information on each of the stewardship programs is available on its steward's websites, below.

Encorp Pacific (Canada) http://www.encorp.ca (Includes annual reports.)

Greater Vancouver: (604) 473-2400

Rest of BC: 1-800-330-9767

Liquor Distribution Branch http://www.bcliquorstores.com/en/customerservice/depositrefund

(604) 252-3029

Brewers Distributors Ltd http://www.westernbrewers.com

(604) 664-2300

Eric Partridge

Director
Environmental Management Branch

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